

Message Text

UNCLASSIFIED

PAGE 01 STATE 132728

53

ORIGIN EB-11

INFO OCT-01 ARA-16 ISO-00 SP-03 AID-20 NSC-07 RSC-01

CIEP-02 TRSE-00 SS-20 STR-08 OMB-01 CEA-02 L-03

CIAE-00 COME-00 FRB-02 INR-10 NSAE-00 XMB-07 OPIC-12

LAB-06 SIL-01 EUR-25 EA-11 /169 R

66605

DRAFTED BY: EB/IFD/ODF:RSGELBARD

APPROED BY: EB/IFD:SWEINTRAUB

EB/IFD/ODF:REBENEDICK

ARA/LA/BC:RHECHTMAN

TREASURY:EMEIGH

----- 107703

R 202151Z JUN 74

FM SECSTATE WASHDC

TO AMEMBASSY BERN

AMEMBASSY BONN

AMEMBASSY BRUSSELS

AMEMBASSY COPENHAGEN

AMEMBASSY THE HAGUE

AMEMBASSY LONDON

AMEMBASSY MADRID

AMEMBASSY OTTAWA

AMEMBASSY PARIS

AMEMBASSY STOCKHOLM

AMEMBASSY TOKYO

INFO AMEMBASSY SANTIAGO

UNCLAS STATE 132728

C O R R E C T E D C O P Y (PARA 3 LINE TWO MISSING FROM
ORIGINAL TRANSMISSION)

E.O. 11652:

TAGS. CI, EFIN

SUBJECT: 1973/1974 CHILE DEBT RESCHEDULING AGREEMENT

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 STATE 132728

1. ON JUNE 17 REPRESENTATIVES OF USG AND GOC SIGNED A MEMORANDUM OF UNDERSTANDING TO RESCHEDULE CHILE S EXTERNAL DEBT PAYMENTS FOR THE PERIOD OF JANUARY 1, 1973 THROUGH DECEMBER 31, 1974. THIS BILATERAL AGREEMENT IMPLEMENTS THE MULTILATERAL DEBT RESCHEDULING ARRANGEMENT SIGNED BY THE 12 PARIS CLUB CREDITOR NATIONS AND CHILE ON MARCH 25, 1974.

2. UNDER THE TERMS OF THE AGREEMENT, WHICH FOLLOWS THE PARIS CLUB MINUTE, FIVE PERCENT OF THE APPROXIMATELY 171 MILLION DOLS DUE USG AGENCIES AND COVERED BY THIS AGREEMENT WILL BE PAID IN 1974, AN ADDITIONAL FIVE PERCENT IN 1975 AND 10 PERCENT IN 1976. PAYMENTS ON THE REMAINING 80 PERCENT WILL BE MADE IN 14 SEMI-ANNUAL INSTALLMENTS BEGINNING IN 1977 AND ENDING IN 1983.

3. CONSOLIDATION INTEREST RATE AGREED UPON IS SIX PERCENT. AN ADDITIONAL CLAUSE HAS BEEN ADDED WHICH PROVIDES FOR REVIEW AND REVISION IF INTEREST RATES AGREED UPON BETWEEN CHILE AND OTHER CREDITOR NATIONS ARE SIGNIFICANTLY DIFFERENT FROM THE US RATE. IF RATES ARE

SIGNIFICANTLY HIGHER, USG HAS RIGHT TO RAISE RATE UP TO WEIGHTED AVERAGE OF INTEREST RATES OF OTHER CREDITORS.

4. SEPARATE BILATERAL IMPLEMENTING AGREEMENTS WITH INDIVIDUAL USG AGENCIES WILL BE SIGNED SHORTLY.

5. SIGNING MEMORANDUM OF UNDERSTANDING FOR USG WERE STATE DEPARTMENT DEPUTY ASSISTANT SECRETARY SIDNEY WEINTRAUB AND TREASURY DEPARTMENT DEPUTY ASSISTANT

SERETARY RICHARD LARSEN. AMBASSADOR WALTER HEITMANN SIGNED FOR GOC.

6. FOR SANTIAGO: DEPARTMENT POUCHED TEXT OF AGREEMENT TODAY. KISSINGER

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: AGREEMENTS, DEBT REPAYMENTS, GOVERNMENT DEBTS, INTEREST RATES
Control Number: n/a
Copy: SINGLE
Draft Date: 20 JUN 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974STATE132728
Document Source: CORE
Document Unique ID: 00
Drafter: EB/IFD/ODF:RSGELBARD
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740163-0471
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740627/aaaaawwu.tel
Line Count: 98
Locator: TEXT ON-LINE, ON MICROFILM
Office: ORIGIN EB
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: izenbei0
Review Comment: n/a
Review Content Flags:
Review Date: 28 AUG 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <28 AUG 2002 by PhilliR0>; APPROVED <13 JAN 2003 by izenbei0>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: 1973/1974 CHILE DEBT RESCHEDULING AGREEMENT UNCLASSIFIED
TAGS: EFIN, CI
To: BERN MULTIPLE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005